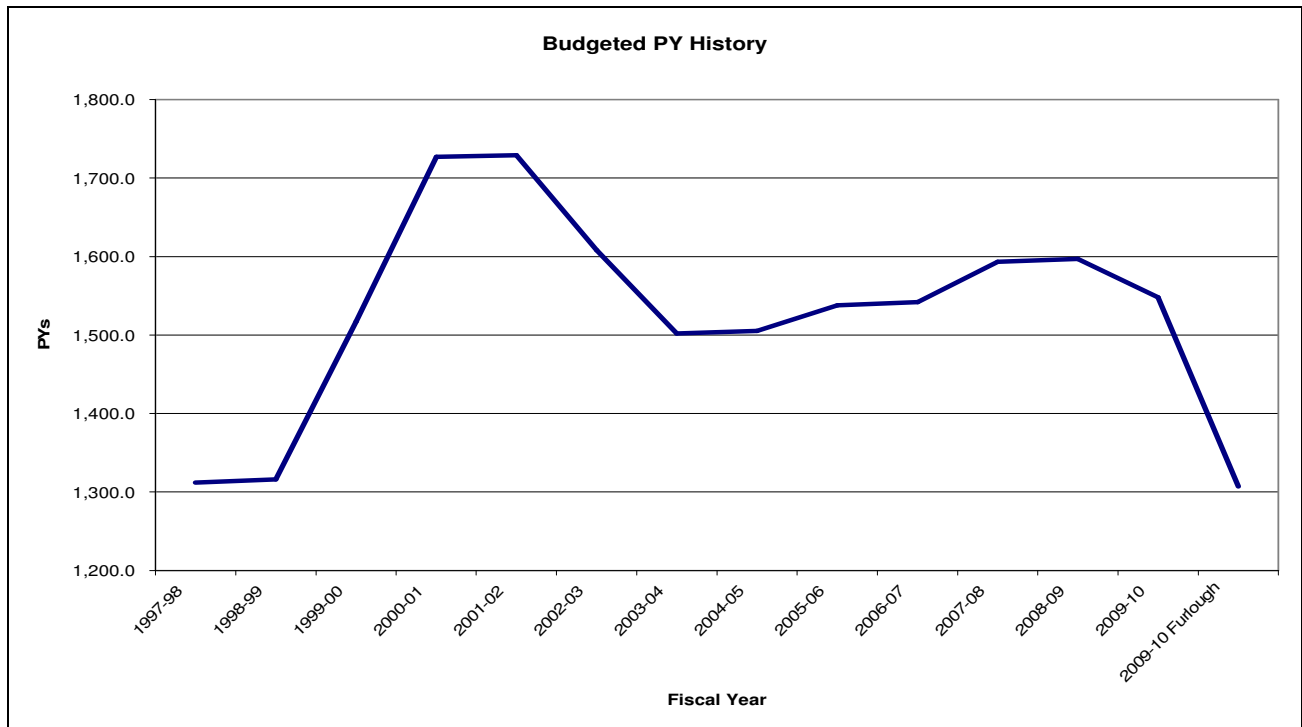


FURLOUGH IMPACTS WATER BOARDS

One of the responses to the severe economic crisis that has affected California's economy and state revenues is the three day per month furlough. The furlough will reduce the Water Boards' expenditures by \$21 million dollars in the 2009-10 fiscal year. Of this, \$4 million is General Fund and the rest is from special funds. As a consequence of the furlough, the Water Boards will have approximately 211 fewer full-time equivalent staff years available to deliver its programs. In addition to the furlough, the Water Boards have lost 30 positions due to the budget situation. In total, the Water Boards have 241 fewer full-time equivalent staff years this fiscal year.

The following chart shows that the Water Boards' budgeted Personnel Years (PY) have been declining since it peaked at 1,729 PYs in FY 2001-02. For FY 2009-10, the Water Boards are budgeted for 1,548 PYs, but as a result of the furlough and abolished vacancies, has the equivalent of 1,307 PYs.



Every program is continually working to develop efficiencies and leverage resources in order to better achieve the organization's programmatic and regulatory responsibilities. A 15 percent reduction in human resources, however, is difficult to absorb without significant impacts. The following is a summary of the estimated impacts to the Water Boards' programs and activities.

I. NPDES Wastewater Program

State Water Board:

The NPDES Unit consists of five staff engineers and a senior engineer. The unit provides statewide development, oversight, and assistance on NPDES permitting and compliance activities. The unit also develops statewide NPDES general permits and provides technical review of petitions of Regional Board permits. The three days of furloughs represent one PY. Each of the following activities represent about one PY:

- Two general permits per year.
- Three petition reviews per year.
- Seven quarterly noncompliance/watch list reports per year.
- Program support (106 grants application and workplan, six roundtable meetings, annual training, and various technical support to the Regional Water Boards) per year.
- Fifteen internal (SB) and external information requests per week.

Except for some components of program support and information requests, all of the above tasks are given a high priority; thus, they have to be done. Lower priority tasks such as conducting six roundtables per year, providing annual training, providing technical support to the Regional Water Boards, and responding to information requests have been eliminated or greatly reduced.

Regional Boards:

The three days of furloughs represent 14.6 PYs for all of the nine Regional Water Boards and are equivalent to the following tasks that may not be completed:

- Reissuance of 32 major industrial permits.
- Reissuance of 34 major municipal permits.
- Reissuance of 87 minor permits.
- Reissuance of 30 general permits.
- Review of self monitoring reports.

II. NPDES Storm Water Program

State Water Board:

The Industrial and Construction Discharges Unit (ICDU) provides statewide development, oversight, and assistance on permitting and compliance activities related to industrial and construction general storm water permits. In addition, the unit is responsible for the processing of Notices of Intent (NOIs) to comply with these general permits. The ICDU processes approximately 500 NOIs per month; responds to approximately 50 email and telephone inquiries daily and aims to respond to all inquiries in two business days; conducts six roundtable meetings and five specialized training

events per year; issues about one general permit every three years; and completes approximately three petitions per year.

The highest priority of the unit is to provide technical support on petitions. The impacts of the furloughs is as follows:

- Delay in processing of Notices of Intent (NOIs) to enroll in the general permit. The impact is 66 fewer transactions per month resulting in construction project delays in some cases.
- Staff will no longer process NOIs on a priority basis, resulting in delays and/or compliance issues for some projects.
- Increased time to respond to public inquiries regarding the program. The impact is that some inquiries sit for 3-5 days before ICDU staff has a chance to fully respond.
- Staff will no longer respond to inquiries regarding the status of NOIs or request for receipt letters, but will refer the inquiring party to the website where the information can be found.
- Reduction in the number of the outreach tools and training/support events needed to implement the permits. The impact will be three fewer roundtable meetings per year and two fewer specialized training events.
- Delay in reissuance of the industrial general permit for approximately one half year.
- Delays in completion of a database needed to accommodate the new construction storm water permit.

The Municipal Storm Water (MSW) Unit is responsible for the development, oversight, and assistance on permitting and compliance activities related to NPDES permits for municipal separate storm sewer systems (MS4s). The MSW unit also is responsible for the issuance of the statewide Phase I MS4 permit for Caltrans and the Phase II general permit for small MS4s. The MSW Unit also provides coordination of regional MS4 permit development activities; responds to numerous public inquiries related to MS4 permit issues; provides technical assistance to the Office of Chief Counsel on approximately three petitions per year; provides oversight of the Caltrans MS4 permit, including review of the Annual Report, district workplans, and related guidance documents, and verification of data with Regional Board staff, and provides comments on Environmental Impact Reports/Environmental Assessments for Caltrans highway projects.

The highest priority of the unit is to provide technical support for petitions, and this activity will not be reduced. The overall impact of the furloughs will be:

- Inability to provide adequate or complete comments to the Regional Boards on MS4 permit development activities.
- Delays and inability to adequately respond to public inquiries.
- Delays in the reissuance of the Caltrans and Phase II MS4 permits. The expected delays are greater than the actual time out of the office due to the loss of continuity with affected stakeholders.

- Lost opportunities for coordination with the Regional Boards and other external stakeholders.
- Inability to meet oversight responsibilities for the Caltrans MS4 permit.

Regional Boards:

- Fewer construction and industrial storm water inspections are completed These inspections are the principal compliance tool in the program
- Phase I and Phase II municipal storm water program audits are reduced.
- The number of CEQA documents commented on are reduced
- Increase backlog of database entries of inspection data and delayed Stormwater Pollution Protection Program review.
- These reductions will result in less oversight of implementation actions and less regulatory assistance.

III. Waste Discharge Requirements (WDR) Program

The WDR Program implements and coordinates two key tasks: administration of the core regulatory program to prevent point sources of pollution of water sources (i.e., development of non-NPDES WDRs, waivers, etc.) and guardianship of emerging water quality issues that, in their infancy, do not fit elsewhere within the existing regulatory framework (e.g., the Irrigated Lands Regulatory Program and the Sanitary Sewer Overflow (SSO) Reduction Program). This guardianship responsibility for new and emerging issues is a phenomenon unique to the WDR Program.

State Water Board:

- Efforts to revamp the WDR program, in order to improve the regional boards' capacity to process WDR permits, will be delayed 12 to 18 months. This effort includes a training program and development of improved communication methods.
- Proposed policy for the management of aquifer storage and recovery projects (i.e., groundwater banking) is on indefinite hold.
- For the Irrigated Land Regulatory Program, less time is available to work with the agricultural community, regional boards, other agencies and academia involved with irrigated agriculture on program improvements. So far this year three stakeholder meetings have been cancelled. The Irrigated Lands Regulatory Program requires frequent collaboration with several agencies that are involved with irrigated agriculture regarding pesticide pollution of water bodies, fertilizer management, and implementation of measures by farmers intended to protect food safety that impair water quality.
- Currently, over 1,100 collection systems are enrolled for coverage in this program. As a result of the furloughs, the SSO program anticipates the following consequences: a reduction of the number of statewide field audits from 24 to 18; a 33 percent reduction in investigations of agencies that have not signed up for the permit; a 30 percent reduction of other compliance and enforcement

activities; a reduction of follow-up on SSO external user group issues with CIWQS, including maintaining and improving spill database functionality, features and operation; and a delay in the State Water Board's Sanitary Sewer Order update by at least four months.

- For the Confined Animal Facilities Program, the furlough has led to a reduction in the education and outreach activities for dairy operators on new state and federal regulations. Coordination with stakeholders on work related to biomass/bioenergy projects such as dairy digesters have been negatively impacted.

Regional Boards:

- Delays in the Issuance of new WDRs and updates of outdated WDRs. There are as many as 3,000 facilities statewide that fall within these categories, including municipal wastewater treatment facilities, industrial facilities, food processors, brownfield remediation sites, and recycled water use projects.
- Reductions in the number of inspections and follow-up actions.
- Furloughs reduce completion of routine casework tasks by as much as 20 percent. Roughly one-third of the responsibility of program staff involves routine casework tasks such as reviewing compliance reports, groundwater monitoring plans and other plans required by WDRs, and public outreach (meeting with dischargers, community groups, local decision makers, etc.).
- Reduction in the ability of Regional Board staff to enforce requirements for growers to enroll in the Irrigated Lands Regulatory Program. Growers who do not participate in the local Irrigated Lands Regulatory Program are unlikely to take actions to reduce water quality impacts and benefit from an unfair advantage over the participating growers.
- Regional Board coordinators for the Irrigated Lands Regulatory Program work closely with their regional agricultural community in developing management plans, operational practices and farm water quality control plans to mitigate exceedances of water quality objectives. The furloughs reduce the number of plans and practices being developed because of the reduced time available to review progress reports and work with the agricultural community.
- Furloughs reduce the regional boards' ability to respond to SSOs, particularly on furlough days, and to follow-up on collection system field audits that are required as part of the SSO Reduction Program.

IV. Landfill Program

State Water Board:

- The statewide Composting Waiver is delayed.
- Responses to public inquiries regarding regulatory requirements are delayed.

Regional Boards:

- There has been a reduction in the number of landfill permits issued and renewed, a reduction in the number of self-monitoring reports and technical reports being reviewed, and a reduction in oversight activities of active and closed landfills.

V. Water Quality Certification (CWA section 401)

State Water Board:

- The FY 2009-2010 work schedule for the Wetland and Riparian Area Policy has been extended five months based on a total loss of 840 staff hours allocated to policy development.
- Staff no longer reviews and comments on environmental documents circulated by the State Clearing House unless related to a water quality certification permit application that has been filed.

Regional Boards:

- Furloughs cause a shift in work priorities to meet minimum legal obligations at the expense of other program activities. For example, the Permit Streamlining Act requires that staff provides comments on applications related to development projects within 30 days of receiving an application, otherwise the application is deemed complete by law. Meeting this legal obligation is the priority before issuing and administering permits. The major impact of furloughs to the public is that permits, on average, take 25 percent more time to issue.
- Public requests for information are more frequently referred to non-technical support staff.
- Reduced water quality certification training and professional development due to work priorities.

VI. Timber Harvest Program

State Water Board:

- Development of the Statewide Water Quality Management Plans/Waivers for Activities on National Forest System Lands is delayed. Consequently, timber-harvesting operations on Forest Service land continue to be subject to inconsistent regional waivers.

Regional Boards:

- Review of timber harvest plans and sales prior to implementation (the “cornerstone” of the regulatory program) and post-harvest compliance inspections have been reduced.

VII. Nonpoint Source (NPS) Implementation Program

State and Regional Water Boards:

- The 2008-09 CWA 319 Workplan was developed and negotiated with USEPA prior to the implementation of state employee furloughs. As such, approximately 15 percent of the originally anticipated workload will not be completed and the workplan with USEPA will have to be renegotiated to prioritize which tasks will be completed. Workplan tasks that directly affect the public (e.g.; distribution of approximately \$4.5 million for funding of NPS implementation projects) have been delayed.
- Multi-year NPS projects, principally NPS WDRs covering thousands of dischargers, have been delayed.

VIII. Water Quality Control Planning

State Water Board:

- The furloughs delay development of high priority Ocean Plan amendments, such as those needed for desalination projects. Efforts to provide exceptions to the Ocean Plan requirements and thus relief to coastal cities from the prohibition of storm water and NPS discharges to areas of special biological significance will be delayed, putting them at risk of being sued. There are also delays in the development of Phase II Sediment Quality Objectives that are ordered by the court to be completed by December 2010.
- The Water Quality Standards program staff is currently working on four statewide projects: revisions to the toxicity control provisions to protect aquatic life, bacterial objectives to protect recreation, cadmium objectives to protect threatened and endangered species, and a nutrient implementation strategy. Due to furloughs staff will focus on the revisions to the toxicity control provisions that are needed to respond to a number of permit petitions. The development of the other projects are delayed.
- Staff is developing statewide approaches to TMDL adoption and implementation for categories of water body impairments, such as trash and nutrients. This TMDL efficiency effort will be delayed.

Regional Boards:

- Many portions of the regional boards' basin plans are out of date, resulting in inefficient regulation. Furloughs reduce the number of basin plan amendments that can be adopted this year.
- TMDLs are long-term basin planning projects that address the most significant and complex water quality problems. The impact of reduced staff resources will be to lengthen the amount of time needed to complete a TMDL.

IX. Monitoring – SWAMP and GAMA

State and Regional Water Boards:

- Reports with findings about groundwater quality from Water Board GAMA sampling of domestic is delayed.
- Responses to public inquiries about groundwater quality and wells are delayed by one day per week.
- SWAMP is a field-intensive program. Fieldwork is constrained by travel distance and sample holding times. Reduction in the window of time for sampling results in less sampling being performed.
- SWAMP is also a very time-intensive program. Data management, assessment, and reporting requires considerable amount of staff time to complete. Reductions in staff time delay the assessment and reporting of findings.
- The DWQ Water Quality Assessment Program guides the development of the federally required water quality integrated report, which includes the list of impaired water bodies. Loss of staff time will result in delays in listing impaired waters.
- In order to leverage limited monitoring funds, SWAMP needs to foster outreach to and develop collaborative working relationships with other agencies, NGOs, and volunteers. This effort requires considerable time to develop such relationships. Reductions in staff time impede the development of these collaborative efforts and leads to duplicative work or incomplete sampling of water quality conditions.
- SWAMP contract funds support numerous staff in other state agencies as field crews, lab crews, a quality assurance team, and a data management team. Their efforts are reduced by approximately 15 percent due to the furloughs.
- Delay in putting together the framework for the Delta regional monitoring program.

X. Cleanup Program (Including Underground Storage Tanks (UST))

State Water Board:

- Slower processing of petitions for site closure.
- Delays in responses to public inquiries.
- Less timely responses to the Attorney General's Office and other non-furloughed organizations on the days that are mandated as furloughs.

Regional Water Boards:

- Suspension of work on cleanups of lower priority sites, which will delay site redevelopment.

- Less time to prepare enforcement actions, including issuance of 13267(b) Orders and Cleanup and Abatement Orders to move site cleanups along.
- Completion of fewer site inspections, self-monitoring report reviews, and site cleanup orders.
- Less oversight at orphan/recalcitrant sites.

XI. Enforcement

State Water Board:

- Staff refers about three major cases to prosecutorial agencies each year for underground storage tank-related violations. The time to investigate and refer these cases will increase.
- The UST Enforcement Unit follows up on about 10 significant complaints per year. Staffing reductions due to furlough days result in follow-ups not being completed for about two complaints.
- Implementation of the government-owned tanks inspection and enforcement initiative with USEPA will be delayed.
- Responding to the Attorney General's Office and other prosecutorial agencies will remain a priority and work will not be reduced; however, the response to inquiries will be delayed.
- Staff conducts approximately 45 waste water treatment plant (WWTP) operator certification investigations each year. Staffing reductions due to furlough days results in seven fewer investigations and delays action on existing cases.
- Staff issues approximately ten disciplinary and penalty actions annually for WWTP operator certification violations. Staffing reductions due to furlough days results in two fewer actions and delays action on existing cases.
- Staff assesses approximately \$50,000 in WWTP operator certification penalties annually. Staffing reductions due to furlough days will result in collection of \$7,000 less in penalties.
- Staffing reductions due to furlough days results in delays responding to operator complaints received via e-mail and phone calls.
- Staff provides investigative assistance to the regional water boards on approximately 15 cases annually. Staffing reductions due to furlough days will result in two cases where this assistance cannot be provided.
- There will be a delay in completion of the enforcement pilot project with the Department of Fish and Game.
- There will be limited participation in a Pretreatment Enforcement Initiative with USEPA.
- There will be delays in providing assistance to regional board prosecution teams.

Regional Boards:

- There will be fewer staff to respond to public complaints, ensure that dischargers comply with their permits, and take discretionary enforcement actions as necessary.
- Fewer mandatory minimum penalty cases will be resolved.
- Staff will not be able to respond to all requests for joint action and assistance from partner agencies.

XII. Operator Certification

Furlough delay the following tasks:

- Preparation of new Operator Certification Regulations.
- Responding to telephone and email questions.
- Processing operator certification applications.
- Conducting statewide operator examinations.

XIII. Water Rights

State Water Board:

- Bay-Delta planning is the Division's highest priority and will not be reduced.
- The Board issues about seven water right decisions or orders per year as a result of water right hearings. If necessary, hearings staff will be redirected to assist in the conduct of work related to Bay-Delta and water quality certifications for large hydropower projects. Depending on whether or not redirections occur, a reduction in hearing support may result in as few as three decisions or orders being issued per year. In order to minimize the effect of staffing reductions on the number of decisions the Board is able to issue, staff no longer creates and maintains project-related websites for hearings.
- Staff continues to draft the State Water Boards Policy for maintaining instream flows in coastal streams (AB2121 Policy). The Water Code requires adoption of the policy by January 1, 2008. Staff reductions and furloughs have the potential to delay the adoption further.
- Staff currently processes about 16 water right applications per year and 40 petitions per year. The time to process an application can be significant, depending on the time it takes the applicant to comply with CEQA and whether or not a permit is issued. Staff will reduce the number of permits it processes as a result of the furloughs to 12 and processing time will increase.
- About 40 change petitions per year are processed. Staff will reduce the number of change petitions it processes to 30. Staff will not process time extension

petitions unless the time extension petition is related to another action the Board is already conducting.

- Other than applications and petitions filed by the US Bureau of Reclamation, water right applications in the Tahoe/Truckee basin will not be assigned to staff for processing pending resolution of the Truckee River Operating Agreement.
- The Licensing Unit issues about 28 licenses and 26 amended licenses in a year. Staffing reductions due to furlough days will result in 24 licenses issued and 22 amended licenses issued for FY 09-10. The goal of the unit for FY 08-09 was to issue a combined total of 85 licenses, amended licenses or orders of revocation. The goal for FY 09-10 is now 72.
- The FY 08-09 goal was to process 3,700 annual reports of permittee and licensee. The Unit exceeded its goal and processed 4,346 reports. The FY 09-10 goal due to furloughs is 3,145 reports.
- Staff no longer reviews environmental documents circulated to it by the State Clearing House for projects for which a water right application or change petition has not been filed.
- Water quality certifications for hydropower projects remain a priority and work is not reduced. Non-hydropower certifications for projects involving water diversions may not be issued, depending on the significance of the project.
- The time to investigate complaints will increase. However, staff is reviewing changes to streamline and improve the process.
- In regard to permitting, staff gives the highest priority to processing temporary permits, other temporary transfers, and temporary urgency change petitions due to the short time frames associated with diversions under those actions.
- Due the reduction of staff and furlough, staff will limit their participation in the development of the Mono lake Stream and Waterfowl Habitat Restoration plans and amendments to Water Rights Decision 1631. Staff participation in the collaborative process will be reduced. Review of various studies and recommendations by the Stream Scientists appointed by the State Water Board is delayed depending upon the availability of staff.
- Staff no longer conducts research for the public. The Division notifies the public via its website that it can no longer conduct research and will provide links to useful website information.
- Staff no longer provides copies of documents that are available via the internet

XIV. Financial Assistance

Site Cleanup Program and Cleanup and Abatement Account Management

- There are delays in billing responsible parties to recover costs for overseeing cleanups.
- There are delays in processing incoming checks for SCP payments.
- There are longer turn-around time to add or update information to SCP sites.

Federal & General Obligation Grant Management

- There is less support for water quality task forces/workgroups and advisory workgroups.
- There are less field visits and site inspections.
- There is less training (providing training to our clients as well as staff training).
- There are longer turn-around times for grant/loan funding and invoice processing.
- There is less technical assistance provided to grantees.

State Revolving Fund Program

- Implementation of AB 2356 is the highest priority. This bill mandates the processing of payments to small disadvantaged communities within 30 days of the date the Board receives the payment request.
- The following program tasks are delayed:
 - Updating SRF regulations.
 - Revising the Small Community Wastewater Grant Program Guidelines.
 - Establishing a Water Recycling Database to track the volume of water recycled in the state and other related important data (this ties in with the Water Recycling Program Performance Measures as well as the Water Board's Strategic Plan Goals).
 - The Water Recycling Economic Task Force activities (working on an amended agreement with revised deadlines).
 - Preparation of standard operating procedures for the Water Recycling and SRF programs that is intended to help with program audits and to allow a more uniform and streamlined review and approval process among project managers.
 - Implementation of the actions outlined in the Small Community Wastewater Strategy and Resolution 2008-0048.

UST Cleanup Fund

- The highest priority activities include making timely payments and completing five-year reviews. Two lower priority tasks that are delayed include processing appeals and follow-up on potential fraud.

XV. Technology and Administrative Services

State Water Board:

- IT System Maintenance: There is a decrease in the number of issues that can be addressed in the scheduled deployments.
- System Support and Development: There will be no more fixes between scheduled deployments unless critical issues emerge.
- Development time for enhancements to the website is increased by 15 percent.
- Processing of Web publishing requests (approximately 1,300 Web requests are completed monthly) is reduced by 15 percent.

- Internet enhancements are delayed.
- The furloughs lead to delays in several areas for the Division of Administrative Services, including processing adverse actions and grievances, issuing payments to employees and vendors, issuing contracts and purchase orders, in processing checks, in responding to public billing inquiries, in cancelling invoices and issuing refunds, and in processing invoice adjustments. In addition, the Division of Administrative Service administers fewer open/promotional exams, takes longer to process all of the paperwork necessary to fill vacant positions, provides fewer ergonomic assessments for staff, pursues fewer dischargers for nonpayment of permit fees, and takes longer to prepare month-end financial reporting. The Division prioritizes its workload to ensure that it completes critical tasks, but most tasks will simply take longer to complete.

Regional Boards:

- Appointments for the public to review files are limited and scheduled based on staff availability to locate and pull files and respond to inquiries.
- There are delays in data entry to database systems.
- There is less ability to track program performance, detect water quality problems, and track discharger compliance.
- There is less public access to data and public records, and delays in reporting or incomplete reporting due to limited data entry.
- There are delays in updating websites.

XVI. Legal Support

- The Office of Chief Counsel will miss some internal and external deadlines for processing petitions, especially those where the State Water Board does not lose jurisdiction over the matter if a deadline is missed.

XVII. Legislative Affairs

- The Office of Legislative Affairs strategically limits the bills that are analyzed to those that have a significant, direct impact on the Water Boards, and generally no longer analyzes bills that merely mention the Water Boards or have little impact on water quality or water rights. The furloughs also delay the submittal of bill analyses.

XVIII. Office of Research, Planning and Performance

- There is a significant reduction in the tracking frequency of strategic plan actions and elimination of Board agenda items presenting this information.
- There are fewer updates to the Annual Informal Update of the Strategic Plan.

- Information for statewide reports, such as the Water Code Section 13385 Enforcement Report and the Annual Performance Report, are provided via the internet, and no hard copy is made available for distribution.
- For the Water Boards' Training Academy, distance learning is being emphasized using online classes, webinars, and recorded events. More classes are taken "on the road" so that Regional Board staff does not have to travel. The biggest impact is the significant decrease in staff volunteer trainers. Fewer work hours result in fewer sponsors available to develop and deliver courses.